

VZCZCXRO2150  
RR RUEHDBU RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR  
DE RUEHSF #0817/01 1841119  
ZNY CCCCC ZZH  
R 031119Z JUL 07  
FM AMEMBASSY SOFIA  
TO RUEHC/SECSTATE WASHDC 3937  
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE

C O N F I D E N T I A L SECTION 01 OF 02 SOFIA 000817

SIPDIS

SIPDIS

E.O. 12958: DECL: 07/02/2017  
TAGS: [PGOV](#) [PREL](#) [KCOR](#) [BU](#)  
SUBJECT: BULGARIA: SOFIA MAYOR STILL TRYING TO BE ALL  
THINGS TO ALL PEOPLE

Classified By: Ambassador Beyrle for reasons 1.4 (b) and (d)

¶1. (C) SUMMARY: In a June 27 meeting with the Ambassador, Sofia Mayor and GERB leader Boyko Borissov recounted his recent trip to the United States, dismissing the story that GERB mischaracterized A/S Dan Fried's "support" for the party as a provocation from hostile media. He met with both International Republican Institute's (IRI) Lorne Craner and (in Madrid) European People's Party (EPP) Antonio Lopez, both of whom "promised" GERB their support. At home, Borissov says he is struggling to find a suitable coalition partner, preferring to stay in the opposition rather than enter into compromising political alliances. Ambassador encouraged him to stick to principles -- better to lose clean than win dirty -- and stressed that GERB must pick candidates that are beyond reproach. Borissov previewed GERB's party platform for upcoming municipal elections -- fighting corruption, reforming the judicial system, and bringing the gray economy to light. Much of what Borissov says is tailored to what he believes a particular audience -- in this case, the U.S. Ambassador -- wants to hear. He is a major political force, but still raw, and unfamiliar with political life outside Bulgaria. We need to challenge him to make good on his anti-corruption promises, without ourselves getting used in the process. END SUMMARY.

GAINING LEGITIMACY ABROAD...

¶2. (C) Borissov began the meeting by recounting his recent trip to the United States, specifically highlighting his meetings with IRI's Lorne Craner and A/S Dan Fried. He said Craner was very supportive of GERB and floated the possibility of training for party members. Borissov flatly denied that GERB mischaracterized Dan Fried's "support" for the party, dismissing the story as a provocation from media friendly to former PM (and current GERB competitor) Ivan Kostov. Borissov agreed with the Ambassador that following the sweep of the May MEP elections, GERB is under extreme scrutiny, and he has to be doubly cautious to make sure such stories do not reappear.

¶3. (C) Borissov was encouraged by his meeting with Antonio Lopez, Secretary General of the European People's Party, whom he met in Madrid on his way back. Lopez is evidently personally impressed with Borissov's anti-corruption efforts on the municipal level -- since Borissov came to power, Spanish companies stopped having to pay kickback for permits to regional mayors. According to Borissov, Lopez backs GERB "one hundred percent" and will support the party's application to EPP. (NOTE: The mayor likes to blur nuances; but in any case, EPP membership would greatly solidify GERB's credentials both at home and abroad, granting it official recognition as part of the European center-right family. END NOTE)

... AND AT HOME

¶4. (C) GERB's sweep in the MEP elections shocked those who

thought that "Boyko talks simple, and simple people believe him," said Borissov. He described the broad support GERB received across the country, specifically highlighting the support of intellectuals, college-graduates, and large share of first-time voters. GERB has pushed out the traditional center-right parties, said Borissov, and left BSP and radical Ataka with voters over sixty. (NOTE: Exit polls show that GERB support came from all across the political spectrum and all age groups, proving that the party successfully harnessed the protest vote that belonged to the reactionary Ataka party and before that, the National Movement Simeon II. Analysts question whether such support will last if GERB comes to power; Bulgarian experience shows center-right parties that revolve around a leader wane once in office. END NOTE)

15. (C) Looking ahead to municipal and parliamentary elections, Borissov says GERB's greatest challenge will be to find suitable coalition partners. Logical candidates like rightist DSB and UDF are too small and divided. Borissov predicts that GERB, Ataka, and predominantly-Turkish MRF will be the clear election winners, with BSP coming in fourth or fifth, but an alliance with any of them is out of the question. He believes that siding with BSP would cost GERB its electorate and send the party "to the bottom, like the King" (referring to the significantly-weakened party of the former PM and monarch Simeon II). The Ambassador urged Borissov to avoid a coalition with Ataka, stressing that it is better to lose clean than win dirty. Borissov agreed, saying it is better to remain in the opposition than to enter into compromising alliances.

16. (C) Borissov passionately explained to the Ambassador that he is "categorically" opposed to an alliance with the MRF, saying that it is MRF's political cronyism and opaque

SOFIA 00000817 002 OF 002

operations that GERB stands against. Ambassador suggested that MRF could become an anti-corruption target, using the recent removal of powerful Energy Minister Ovcharov over corruption allegations as an example. Borissov disagreed, saying the Prime Minister's fight against corruption will never touch the MRF because of its important role as a ruling-coalition partner. "I have politicians to raise," said Borissov, implying that aligning with the MRF would have a corrupting influence. He agreed with the Ambassador that GERB must vet its candidates to make sure all are clean and beyond reproach.

#### PARTY PLATFORM GAINING CLARITY

17. (C) GERB's election platform will highlight three themes -- fight against corruption, reform of the judicial system, and eradication of the gray economy. Borissov concentrated specifically on the gray economy, stressing that thirty percent of GDP (or 18 billion Euros) never makes it to government coffers. He outlined the strategy proposed by his economic team -- introduce a ten-percent flat tax, strengthen collection, and increase penalties for non-compliance. Adding the missing funds to the government budget would more than cover the sorely-needed pension increases and salary hikes, according to Borissov. He proposed that the Ambassador meet his economic team to get a better idea of their strategy, to which the Ambassador agreed.

#### LOOKING FOR OUR SUPPORT

18. (C) Borissov ended the meeting with a direct request for U.S. (and the Ambassador's personal) support. He said he needs the Ambassador's support and guidance on navigating the domestic political terrain and would appreciate if the two would continue meeting periodically. The Ambassador stressed that we support a democratic, pluralistic, and clean process rather than individual parties, but reiterated our support for GERB as an element of that process.

#### COMMENT

19. (C) Borissov says he is working to transform GERB from a personality-based club into a more traditional party. The experts he gathered around him should help clarify the party's yet-unclear ideology, and membership in European People's Party will help increase GERB's legitimacy and confirm it as the heir apparent of Bulgaria's center-right. Borissov is also saying all the right things -- the party's platform of fight against corruption, reform of the judicial system, and eradication of the gray economy are top priorities, both at home and in Brussels. But his well documented past links to Bulgarian organized crime clans (links he claims were exaggerated and are now broken) make it difficult to ignore those who argue that Borissov is a stalking horse for corrupt special interests. Much of what he says is tailored to what he thinks his audience wants to hear, and it pays to be skeptical. If Borissov is serious about making anti-corruption a central plank of the GERB platform, his pleas for U.S. support will give us ample opportunity to challenge him to take concrete action to match his words -- e.g., full disclosure of sources of GERB's financing. Borissov's choice of candidates for municipal elections, and the reputations of internal advisors eager to hop aboard as GERB's fortune's rise, will also show whether the party can develop into an effective, progressive political force. For now, the only thing we can say for certain is that Borissov is popular, ambitious, and calculating. He is the force to be reckoned with as the traditional center-right parties wilt away, and voters disaffected by the status quo look for populist campaigns. We need to use the chance to shape this raw force -- without getting used in the process. END COMMENT.  
Beyrle